

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA



EXECUTIVE ORDER S-06-06
by the
Governor of the State of California

WHEREAS, abundant biomass resources from agriculture, forestry and urban wastes can be tapped to provide transportation fuels and electricity to satisfy California's fuel and energy needs; and

WHEREAS, ethanol is a renewable transportation biofuel that California consumes more than 900 million gallons a year which is approximately 25 percent of all the ethanol produced in the United States; and

WHEREAS, California produces less than five percent of the ethanol it consumes; and

WHEREAS, biomass fuels, including ethanol produced from cellulose and bio-diesel produced from a variety of sources, can reduce the state's reliance on petroleum fuels and work to lower fuel costs for consumers; and

WHEREAS, in the Hydrogen Highway plan, the state has invested \$6.5 million to support a network of more than 16 filling stations and a growing fleet of cars and buses that run on this clean fuel of the future; and

WHEREAS, biofuels can be a clean, renewable source for hydrogen; and

WHEREAS, biofuels offer greenhouse gas reduction benefits; and

WHEREAS, biomass as a source of energy has the potential to power more than three million homes or produce enough fuel to run more than two million automobiles on an annual basis; and

WHEREAS, biomass is a renewable resource which currently contributes two percent of the state's electricity mix, or nearly 1,000 megawatts of the state's generating capacity and is one of the options needed to achieve the State Renewables Portfolio Standard requirements; and

WHEREAS, improvements in the use of waste and residues from forests and farms for energy production can actually decrease the greenhouse gas emissions associated with biomass decomposition that otherwise would occur; and

WHEREAS, harnessing California's biomass resources to produce energy and other products is good for the state's economy and environment and contributes to local job creation; and

WHEREAS, the increased use of biomass resources contributes solutions to California's critical waste disposal and environmental problems, including the risk of catastrophic wild fires, air pollution from

open field burning, and greenhouse gas emissions from landfills; and

WHEREAS, sustained biomass development offers strategic energy, economic, social and environmental benefits to California, creating jobs through increased private investment within the state.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power invested in me by the Constitution and the statutes of the State of California, do hereby order effective immediately:

1. The following targets to increase the production and use of bioenergy, including ethanol and bio-diesel fuels made from renewable resources, are established for California:
 - a. Regarding biofuels, the state produce a minimum of 20 percent of its biofuels within California by 2010, 40 percent by 2020, and 75 percent by 2050;
 - b. Regarding the use of biomass for electricity, the state meet a 20 percent target within the established state goals for renewable generation for 2010 and 2020; and
2. The Secretary for the California Resources Agency and the Chair of the Energy Resources Conservation and Development Commission ("Energy Commission") shall coordinate oversight of efforts made by state agencies to promote the use of biomass resources; and
3. The Air Resources Board, Energy Commission, California Environmental Protection Agency, California Public Utilities Commission, Department of Food and Agriculture, Department of Forestry and Fire Protection, Department of General Services, Integrated Waste Management Board, and the State Water Resources Control Board shall continue to participate on the Bioenergy Interagency Working Group chaired by the Energy Commission; and
4. The Energy Commission shall coordinate with other responsible state agencies to identify and secure federal and state funding for research, development and demonstration projects to advance the use of biomass resources for electricity generation and biofuels for transportation; and
5. The Energy Commission shall report to the Governor and the State Legislature through its Integrated Energy Policy Report, and biannually thereafter, on progress made in achieving sustainable biomass development in California; and
6. The California Air Resources Board is urged to consider as part of its rulemaking the most flexible possible use of biofuels through its Rulemaking to Update the Predictive Model and Specification for Reformulated Gasoline, while preserving the full environmental benefits of California's Reformulated Gasoline Programs; and
7. The California Public Utilities Commission is requested to initiate a new proceeding or build upon an existing proceeding to encourage sustainable use of biomass and other renewable resources by the state's investor-owned utilities; and
8. As soon as hereafter possible, this Order shall be filed with the Office of the Secretary of State and that widespread publicity and notice be given to this Order.

IN WITNESS WHEREOF I have here unto set my hand and caused the Great Seal of the State of California to be affixed this the twenty-fifth day of April 2006.

/s/ Arnold Schwarzenegger

Governor of California